Federal Agencies' Criteria and Priorities for 2001 FCRPS Operations March 30, 2001

BACKGROUND

Poor water conditions in the Columbia River basin coupled with an extraordinary power market on the West Coast have caused an unprecedented river management situation this year. In recognition of obligations to operate FCRPS projects to meet multiple purposes consistent with: (1) authorizing legislation, (2) additional laws including the Endangered Species Act (ESA), the Clean Water Act (CWA), Pacific Northwest Electric Power Planning and Conservation Act, Reclamation Laws, and cultural resource laws such as the National Historic Preservation Act and the Native American Grave Protection and Repatriation Act, (3) treaties and executive orders with Pacific Northwest Indian tribes and the Federal Government's trust responsibilities, and (4) existing Biological Opinions for the operation of hydroelectric reservoir projects in the FCRPS and the marketing and transmission of power from those projects, these principles are proposed by the regional offices of the following federal agencies: Bonneville Power Administration, U.S. Army Corps of Engineers, Bureau of Reclamation, National Marine Fisheries Service, U.S. Fish and Wildlife Service, and Environmental Protection Agency. These principles recognize that achieving the objectives of the system's multipurpose operation this year is made more difficult by the continuing poor water conditions, and that the unprecedented power market conditions this year may result in emergency operations of the FCRPS. The six Federal agencies agree to seek consensus on emergency operations that minimize variations from the operations described in existing Biological Opinions, by considering priorities for fish operations to minimize effects on listed and unlisted fish populations, and to seek offsetting measures sufficient to achieve the objectives of the Opinions.

Existing Biological Opinions recognize that water management actions may change due to unforeseeable power system, flood control or other emergencies. Emergencies may include a power emergency; one based on insufficient power supply to meet demand in the Pacific Northwest. There may also be West Coast demand involving health and human safety that requires an emergency response. Emergency actions should be viewed as a last resort, and will not be used in place of long-term investments necessary to allow full, uninterrupted implementation of the required reservoir operations while maintaining other project purposes, such as an adequate and reliable power system.

It is recognized that federal agencies may, through adaptive management, adjust FCRPS operations over time, as there are deteriorating or improving changes in circumstances, for example water supply, economic outlook, power market conditions, conditions affecting listed fish, fish and wildlife, water quality, cultural resources, or project uses. Continued coordination will ensure federal agencies have current information and appropriate input from all interested parties on which to base their decisions.

These principles are not intended to and do not alter or affect the statutory and other legal rights, authorities, responsibilities, and obligations of the federal agencies and the right and authority to interpret and implement other statutory authority. These principles are intended only to improve the coordination of the federal agencies in their management of the FCRPS, and are not intended to, nor do they create any right, benefit, or new trust responsibilities, substantive or procedural, enforceable at law or equity by a party against the United States, its agencies, its officers, or any person.

ACTIONS PRECEEDING AND DURING A POWER SYSTEM EMERGENCY DECLARATION

In order to meet Pacific Northwest load requirements, the following actions will be taken prior to declaring and throughout a power system emergency:

- 1. Provide for voluntary conservation;
- 2. Implement conservation measures, to the extent possible;
- 3. Exercise contract provisions that reduce firm load obligations;
- 4. Pursue purchase of load reductions consistent with criterion 3 below;
- 5. Pursue purchases consistent with criterion 3 below; and
- 6. Pursue acquisition of irrigation pumping load consistent with criterion 3 below;

POWER EMERGENCIES: CRITERIA AND PROCESS

Assuming an adjustment in FCRPS operations is required to maintain the reliability of the FCRPS, the following criteria will be used for determining a risk to reliability and a declaration of a power emergency. The criteria are:

- 1. Operational Power System Reliability due to near-term insufficiency. Defined as insufficiency of electrical generation to meet Pacific Northwest electrical near-term demand. An indicator of resource scarcity may be a quick rise in prices over a few hours or days.
- 2. <u>Planning Power System Reliability due to a forecasted insufficiency.</u> The reliability criterion is exceeded when the probability of insufficient generation to meet load exceeds 5% for any of the next 12 months.
- 3. Power System Reliability due to inadequate reserves to acquire sufficient electrical generation and maintain other BPA funded activities, including programs to protect, mitigate and enhance fish and wildlife. The financial criterion for a power system emergency is exceeded when the probability of FCRPS financial reserves being \$0 or less after meeting all expected financial obligations exceeds 20% for any of the next 12 months.

These planning criteria will be estimated using statistical distributions of estimated future values for streamflows, revenues, power prices and similar inputs to cashflows, and will also take into account expected benefits of tools which are reliably available to mitigate cashflow problems, such as monthly 4(h)(10)(c) credits.

All power emergencies will be declared consistent with TMT's Interim Protocols for Emergency Operations dated September 22, 2000, or as subsequently amended, including, as soon as practicable, notice to states and tribes. The Protocols may be found at:

http://www.nwd-wc.usace.army.mil/TMT/2000/ManPlan/emerprotocl0922.PDF.

FISHERY OPERATIONS PRIORITIES FOR 2001

- 1. Recognizing conditions may change, the following are the priorities for fishery operations for January through August of 2001.
 - a) Power/Chum Flows through a minimum of 65% emergence
 - b) Full fish transportation in the Snake River
 - c) Transport evaluation from McNary Dam in the spring
 - d) Balance spring spill operations for ESA listed stocks (wild and hatchery) at mainstem FCRPS dams with uncertainty associated with volume forecast error
 - Allocate any spill available within the following project priority
 - i) The Dalles (with a consistent operation for study purposes)
 - ii) Bonneville
 - iii) John Day
 - iv) McNary
 - v) Ice Harbor
 - e) Lower Granite surging operation targeted to move fish through pool to Lower Granite
 - f) Balance summer flow augmentation (June 30 refill) and spring spill operations
 - i) Refill of Dworshak has highest priority for providing fish flow and water quality benefits
 - ii) Ensure sufficient water in Hungry Horse and Libby to provide bull trout minimum flows
 - g) Minimum Operating Pool on the Snake River and John Day within 1½ foot of minimum level for irrigation pumping.
 - h) Balance Vernita Bar protection level and Grand Coulee Elevations
 Consider reducing protection flows if the reduced protection flows, combined with forecasts of
 BPA loads or streamflows below Grand Coulee provide a high confidence of benefit in Grand
 Coulee elevations.
 - i) Summer spill operations at mainstem FCRPS dams for ESA listed stocks (wild and hatchery)
 - j) Targeted spring spill for non-listed hatchery releases
 - k) Targeted summer spill for non-listed hatchery releases
 - l) Spring system flow augmentation, with emphasis on May
- 2. Monitor and evaluate (with EPA technical assistance) and consider effects on water quality and any applicable water quality standards, in determining priorities.
- 3. Convene TMT to seek input on the timing of implementation and provide greater definition to these priorities, with elevation to Implementation Team or Regional Federal Executives, as necessary.

(Italics indicate operations that have already been implemented and completed.)